

Hopkins, J.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

NAVIGATOR CAPITAL PARTNERS, L.P.,
on behalf of itself and all others similarly
situated,

Plaintiff,

- against -

BEAR STEARNS ASSET MANAGEMENT
INC., *et al.*,

Defendants,

- and -

BEAR STEARNS HIGH-GRADE
STRUCTURED CREDIT STRATEGIES,
L.P.,

Nominal Defendant.

FIC, L.P., individually, and on behalf of all
others similarly situated,

Plaintiff,

- against -

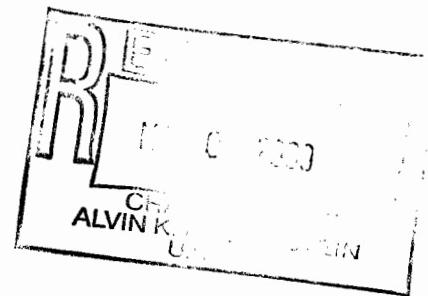
BEAR STEARNS ASSET MANAGEMENT
INC., *et al.*,

Defendants,

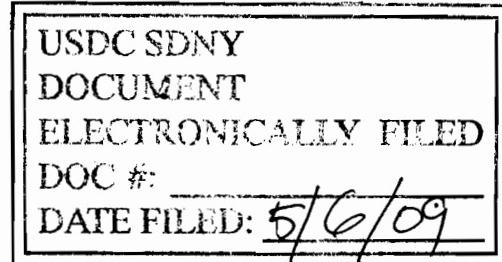
- and -

BEAR STEARNS HIGH-GRADE
STRUCTURED CREDIT STRATEGIES,
L.P.,

Nominal Defendant.



No. 07 Civ. 07783 (AKH)



No. 07 Civ. 11633 (AKH)

x

GEOFFREY VARGA and WILLIAM CLEGHORN, as Joint Voluntary Liquidators of Bear Stearns High-Grade Structured Credit Strategies (Overseas) Ltd. and Bear Stearns High-Grade Structured Credit Strategies Enhanced Leverage (Overseas) Ltd., : No. 08 Civ. 03397 (AKH)
Plaintiffs, :
-against- :
THE BEAR STEARNS COMPANIES, INC., BEAR STEARNS ASSET MANAGEMENT INC., BEAR, STEARNS & CO. INC., RALPH CIOFFI, MATTHEW TANNIN, RAYMOND MCGARRIGAL, BARRY JOSEPH COHEN, GERALD R. CUMMINS, DAVID SANDELOVSKY and GREG QUENTAL, :
Defendants. :
x

STIPULATION AND FIRST JOINT DISCOVERY PLAN

WHEREAS:

A. On February 24, 2009, the parties in the captioned cases appeared before this Court for oral argument (the “February Argument”) on the motions of Defendants to dismiss each of the amended complaints in the captioned coordinated actions (the “Actions”). During the February Argument, this Court directed the parties in the Navigator and FIC Actions to begin producing documents on a rolling basis within twenty (20) days after a ruling on the motions to dismiss, and requested that plaintiffs in the Varga Action address certain issues in an amended complaint.

B. During the February Argument, the Court also directed the parties to submit a joint discovery plan that preliminarily: (i) sets the dates by which the parties will exchange documents and may serve initial interrogatories; (ii) sets dates for parties to identify individuals to be deposed and a time period for conducting depositions; and (iii) identifies a period midway through the depositions during which the parties will appear before the Court for a case management conference;

C. On March 26, 2009, plaintiffs in the Varga Action amended their complaint, among other things, to discontinue without prejudice their claims against certain defendants, including Walkers Funds Services Limited, Scott Lennon and Michelle Wilson-Clarke (together, the "Walkers Defendants");

D. Discovery disputes in the captioned cases will be presented to the Court in the manner provided in Rule 2.E. of this Court's Individual Rules;

E. The Court on March 18, 2009 entered a stipulation and protective order (as thereafter amended, the "Protective Order"), a copy of which is attached hereto as Exhibit A.

NOW THEREFORE, IT IS HEREBY STIPULATED AND AGREED by undersigned parties, through their undersigned counsel, as follows:

A. **Document Discovery**

1. Each party in the Navigator and FIC Actions began producing documents on or about March 17, 2009 (the "Production Date"), in an electronic format negotiated in good faith by the parties, except that the Walkers Defendants commenced production of the Walkers Defendants' documents to plaintiffs and/or their counsel in the Navigator and FIC Actions beginning on or about March 31, 2009. The parties in the Varga Action shall commence producing documents on or about May 1, 2009.

2. As ordered by the Court during the September Hearing, each party in the Actions shall produce all documents it reasonably believes in good faith to be relevant to the respective Actions without the necessity of particularized discovery requests, including all documents required under federal law and the local rules. Among other things, each party therein shall produce all nonprivileged documents it produced to any state or federal governmental or

regulatory entity in connection with any investigations or inquiries relating to the Funds¹ and Defendants' activities with respect to the Funds, including but not limited to the Department of Justice (including, but not limited to any United States Attorney's Office), the United States Securities and Exchange Commission, and the Secretary of the Commonwealth of Massachusetts (the "Investigations"), that it reasonably believes in good faith to be relevant. To the extent any party withholds nonprivileged documents that it produced during the Investigations, it shall identify those documents by category in a manner that allows the other parties to understand the basis upon which such documents are withheld. For relevant, nonprivileged documents produced in the Investigations, to the extent they exist, each party shall identify the custodian lists and any search terms used in searching for such documents. For other documents produced by all parties, the parties shall identify custodian lists and any search terms used in searching for such documents.

3. Document production in the Actions will be in two phases. First, pursuant to Judge Hellerstein's rulings, each party will produce all documents that it reasonably believes in good faith to be relevant to the claims in the Actions ("Phase I"). Phase I will commence on the Production Date and continue on a rolling basis until such time as each party provides written notice to all opposing parties in its respective actions that it reasonably believes in good faith that it has produced all of its non-privileged documents relevant to their respective captioned actions. Phase I shall be completed no later than June 1, 2009.

¹ The Funds are the Bear Stearns High-Grade Structured Credit Strategies L.P., the Bear Stearns High-Grade Structured Credit Strategies Enhanced Leverage, L.P., the Bear Stearns High-Grade Structured Credit Strategies Master Fund, Ltd., the Bear Stearns High-Grade Structured Credit Strategies Enhanced Leverage Master Fund, Ltd., the Bear Stearns High-Grade Structured Credit Strategies (Overseas) Ltd., the Bear Stearns High-Grade Structured Credit Strategies Enhanced Leverage (Overseas) Ltd.

4. Within thirty (30) days of the earlier of (i) receiving such written notice or (ii) June 1, 2009, the parties shall begin discovery of those categories of documents that they believe were not included in opposing parties' productions ("Phase II"). By June 29, 2009, the parties shall serve particularized discovery requests requesting categories of documents they believe were not included in opposing parties' productions. By July 29, 2009, the parties shall provide written responses to the discovery requests. Between July 29 and August 19, the parties shall meet and confer in good faith to resolve any disputes and to discuss the custodians to be searched, the search terms to be used for electronic discovery and the scope of collection procedures. Rolling production of documents agreed to be produced in Phase II shall commence on September 11, 2009 and be finished no later than October 30, 2009.

5. Within thirty (30) days of completing Phase I, the parties shall furnish a privilege log relating to documents withheld on privilege grounds in Phase I in the manner provided in Local Civil Rule 26.2. Within thirty (30) days of completing Phase II, the parties shall furnish a privilege log relating to documents withheld on privilege grounds in Phase II in the manner provided in Local Rule 26.2.

6. Each party in the Actions shall complete its document production on or before October 30, 2009, except as to documents relating to expert reports and expert witnesses and privilege logs relating to Phase II.

7. Notwithstanding anything to the contrary herein, no provision of this First Joint Discovery Plan shall require that Walkers Funds Services Limited, Walkers SPV Limited, Scott Lennon or Michelle Wilson-Clarke (collectively, the "Walkers Entities") produce documents in the action captioned *Varga, et al. v. The Bear Stearns Companies, Inc., et al.*, Case No. 08-03397 (AKH). However, plaintiffs in the actions captioned *Varga, et al. v. The Bear Stearns*

Companies, Inc., et al., Case No. 08-03397 (AKH), expressly reserve all of their rights to seek and to obtain documents from the Walkers Entities (i) as third parties subject to subpoenas issued in connection with the Actions, and/or (ii) in any other lawsuit commenced or to be commenced by any of the parties, in this or any other court, in which some or all of the Walkers Entities are named as defendants, subject to the applicable rules governing the proceedings in any such action.

B. **Initial Disclosures**

8. On or before May 7, 2009, the parties shall provide initial disclosures required by Fed. R. Civ. Proc. 26(a)(1)(A) (iii) and (iv). During Phase I, the parties shall not provide initial disclosures required under Fed. R. Civ. Proc. 26(a)(1)(A)(i) and (ii). At or after the conclusion of Phase I, if any party believes that it would benefit from a response to Fed. R. Civ. Proc. 26(a)(1)(A)(i) and (ii), it shall meet and confer in good faith with the party from whom it seeks such disclosures and determine the scope and time frame for such disclosures.

C. **Initial Interrogatories**

9. At any time during Phase II, each party in the Actions may serve its first set of interrogatories on opposing parties in its respective Actions, consistent with Local Civil Rule 33.3.

10. All parties must serve their responses and objections to each set of initial interrogatories within thirty (30) days after being served with that set of interrogatories.

11. The parties shall meet and confer with respect to any other changes in the general limitations on the number of interrogatories.

D. **Depositions**

12. The parties shall exchange non-exclusive initial lists of potential deponents by November 15, 2009. The parties shall meet and confer in good faith with respect to the scheduling of depositions, with the goal of completing initial depositions by February ___, 2010.

13. The parties shall meet and confer with respect to any other changes in the general limitations on the number and/or length of depositions.

E. **Case Management Conference**

14. The Court shall conduct a case management conference with the parties on December 15, 2009 at *10:00* a.m.

15. At or after that conference, the parties shall submit to the Court a Second Joint Discovery Plan which shall propose a schedule for the remainder of deposition discovery, as well as expert discovery.

16. Nothing in this First Joint Discovery Plan shall prejudice any party's right to object to or otherwise seek to limit any discovery request or notice on any ground, or submit a request to the Court seeking to limit, expand or extend any of the limitations and dates herein.

Dated: New York, New York
April 30, 2009

Entwistle & Cappucci LLP

Brune & Richard LLP

By:

Arthur V. Nealon
Johnston de F. Whitman, Jr.
Arthur V. Nealon
Stephen D. Oestreich
Joshua K. Porter
280 Park Avenue, 26th Floor West
New York, New York 10017
(212) 894-7200

By:

Theresa Trzaskoma
80 Broad Street
New York, New York 10004
(212) 668-1900

Attorneys for Defendant
Matthew Tannin

Douglas R. Hirsch
Sadir & Goldberg LLP
551 Fifth Avenue, 21st Floor
New York, New York 10176
(212) 947-3793

Attorneys for Plaintiff Navigator
Capital Partners, L.P.

Gardy & Notis, LLP

Grant & Eisenhofer P.A.

By:

James S. Notis
440 Sylvan Avenue, Suite 110
Englewood Cliffs, New Jersey 07632
(201) 567-7377

Attorneys for Plaintiff FIC, L.P.

By:

James J. Sabella
485 Lexington Avenue, 29th Floor
New York, New York 10017
(646) 722-8500

Attorneys for Plaintiff FIC, L.P.

Dated: New York, New York
April 30, 2009

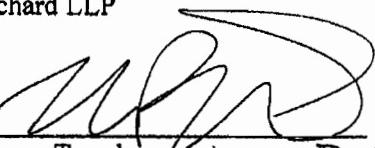
Entwistle & Cappucci LLP

By: _____

Johnston de F. Whitman, Jr.
Arthur V. Nealon
Stephen D. Oestreich
Joshua K. Porter
280 Park Avenue, 26th Floor West
New York, New York 10017
(212) 894-7200

Brune & Richard LLP

By: _____


Theresa Trzaskoma, Nina M. Beattie
80 Broad Street
New York, New York 10004
(212) 668-1900

Attorneys for Defendant
Matthew Tannin

Douglas R. Hirsch
Sadis & Goldberg LLP
551 Fifth Avenue, 21st Floor
New York, New York 10176
(212) 947-3793

Attorneys for Plaintiff Navigator
Capital Partners, L.P.

Gardy & Notis, LLP

By: _____

James S. Notis
440 Sylvan Avenue, Suite 110
Englewood Cliffs, New Jersey 07632
(201) 567-7377

Attorneys for Plaintiff FIC, L.P.

Grant & Eisenhofer P.A.

By: _____

James J. Sabella
485 Lexington Avenue, 29th Floor
New York, New York 10017
(646) 722-8500

Attorneys for Plaintiff FIC, L.P.

Dated: New York, New York
April 30, 2009

Entwistle & Cappucci LLP

Brune & Richard LLP

By: _____

Johnston de F. Whitman, Jr.
Arthur V. Nealon
Stephen D. Oestreich
Joshua K. Porter
280 Park Avenue, 26th Floor West
New York, New York 10017
(212) 894-7200

By: _____

Theresa Trzaskoma
80 Broad Street
New York, New York 10004
(212) 668-1900

Attorneys for Defendant
Matthew Tannin

Douglas R. Hirsch
Sadis & Goldberg LLP
551 Fifth Avenue, 21st Floor
New York, New York 10176
(212) 947-3793

Attorneys for Plaintiff Navigator
Capital Partners, L.P.

Gardy & Notis, LLP

By:

James S. Notis
James S. Notis
440 Sylvan Avenue, Suite 110
Englewood Cliffs, New Jersey 07632
(201) 567-7377

Attorneys for Plaintiff FIC, L.P.

Grant & Eisenhofer P.A.

James J. Sabella
James J. Sabella
485 Lexington Avenue, 29th Floor
New York, New York 10017
(646) 722-8500

Attorneys for Plaintiff FIC, L.P.

Kramer Levin Naftalis & Frankel LLP

Driscoll & Redlich

By:


Kerri Ann Law
Marjorie Sheldon
1177 Avenue of the Americas
New York, New York 10036
(212) 715-9100

Attorneys for Defendants Bear Stearns
Asset Management Inc., Bear, Stearns
Securities Corp., The Bear Stearns
Companies Inc., Bear, Stearns & Co.
Inc., Barry Cohen, Gerald Cummins,
David Sandelovsky and Gregory
Quental

By:

Catherine L. Redlich
521 Fifth Avenue, Suite 3300
New York, New York 10175
(212) 986-4030

Attorneys for Defendant
Raymond McGarrigal

Hughes Hubbard & Reed LLP

Cadwalader, Wickersham & Taft LLP

By:

Marc A. Weinstein
Lisa A. Cahill
One Battery Park Plaza
New York, New York 10004
(212) 837-6000

Attorneys for Defendant Ralph Cioffi

By:

Martin L. Seidel
One World Financial Center
New York, N.Y. 10281
(212) 504-6000

Attorneys for Defendants Walkers
Fund Services Limited, Scott Lennon
and Michele Wilson-Clarke

Kramer Levin Naftalis & Frankel LLP

By: _____

Kerri Ann Law
Marjorie Sheldon
1177 Avenue of the Americas
New York, New York 10036
(212) 715-9100

Attorneys for Defendants Bear Stearns
Asset Management Inc., Bear, Stearns
Securities Corp., The Bear Stearns
Companies Inc., Bear, Stearns & Co.
Inc., Barry Cohen, Gerald Cummins,
David Sandelovsky and Gregory
Quental

Driscoll & Redlich

By: _____

Catherine L. Redlich
521 Fifth Avenue, Suite 3300
New York, New York 10175
(212) 986-4030

Attorneys for Defendant
Raymond McGarrigal

Hughes Hubbard & Reed LLP

By: _____

Marc A. Weinstein
Lisa A. Cahill
One Battery Park Plaza
New York, New York 10004
(212) 837-6000

Attorneys for Defendant Ralph Cioffi

Cadwalader, Wickersham & Taft LLP

By: _____

Martin L. Seidel
One World Financial Center
New York, N.Y. 10281
(212) 504-6000

Attorneys for Defendants Walkers
Fund Services Limited, Scott Lennon
and Michele Wilson-Clarke

Kramer Levin Naftalis & Frankel LLP

Driscoll & Redlich

By: _____

Kerri Ann Law
Marjorie Sheldon
1177 Avenue of the Americas
New York, New York 10036
(212) 715-9100

Attorneys for Defendants Bear Stearns
Asset Management Inc., Bear, Stearns
Securities Corp., The Bear Stearns
Companies Inc., Bear, Stearns & Co.
Inc., Barry Cohen, Gerald Cummins,
David Sandelovsky and Gregory
Quental

By: _____

Catherine L. Redlich
521 Fifth Avenue, Suite 3300
New York, New York 10175
(212) 986-4030

Attorneys for Defendant
Raymond McGarrigal

Hughes Hubbard & Reed LLP

By: _____

Marc A. Weinstein
Lisa A. Cahill
One Battery Park Plaza
New York, New York 10004
(212) 837-6000

Attorneys for Defendant Ralph Cioffi

Cadwalader, Wickersham & Taft LLP

By: _____

Martin L. Seidel
One World Financial Center
New York, N.Y. 10281
(212) 504-6000

Attorneys for Defendants Walkers
Fund Services Limited, Scott Lennon
and Michele Wilson-Clarke

Kramer Levin Naftalis & Frankel LLP

Driscoll & Redlich

By: _____

Kerri Ann Law
Marjorie Sheldon
1177 Avenue of the Americas
New York, New York 10036
(212) 715-9100

Attorneys for Defendants Bear Stearns
Asset Management Inc., Bear, Stearns
Securities Corp., The Bear Stearns
Companies Inc., Bear, Stearns & Co.
Inc., Barry Cohen, Gerald Cummins,
David Sandelovsky and Gregory
Quental

By: _____

Catherine L. Redlich
521 Fifth Avenue, Suite 3300
New York, New York 10175
(212) 986-4030

Attorneys for Defendant
Raymond McGarrigal

Hughes Hubbard & Reed LLP

Cadwalader, Wickersham & Taft LLP

By: _____

Marc A. Weinstein
Lisa A. Cahill
One Battery Park Plaza
New York, New York 10004
(212) 837-6000

Attorneys for Defendant Ralph Cioffi

By: _____


Martin L. Seidel
One World Financial Center
New York, N.Y. 10281
(212) 504-6000

Attorneys for Defendants Walkers
Fund Services Limited, Scott Lennon
and Michele Wilson-Clarke

Reed Smith LLP

By: Jordan W. Siev

Robert A. Nicholas
James C. McCarroll
Jordan W. Siev
599 Lexington Avenue
New York, New York 10022
(212)-521-5400

*Attorneys for Plaintiffs Geoffrey Varga and
William Cleghorn*

SO ORDERED this 5 day
of April, 2009

May

Dale Yelich
U.S.D.J.